

Message Text

LIMITED OFFICIAL USE

PAGE 01 ISLAMA 01698 180441Z

22

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 EB-07 IO-11 ITC-01 PA-01 PRS-01

AGR-05 XMB-02 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 FPC-01 H-02 INR-07 INT-05

L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 SAM-01

OES-03 SP-02 SS-15 STR-04 TRSE-00 /123 W

----- 126994

R 171040Z FEB 76

FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 4169

INFO USMISSION USUN

USMISSION OECD PARIS

AMEMBASSY OTTAWA

LIMITED OFFICIAL USE ISLAMABAD 1698

E.O. 11652: N/A

TAGS: ENRG, EFIN, PK

SUBJECT: PAKISTAN POSITION IN CIEC

REF: (A) 75 ISLAMABAD 5952, (B) ISLAMABAD 1285,

SUMMARY: MFA HAS GIVEN CANADIAN EMBASSY AN AIDE-MEMOIRE ON PAKISTAN POSITION IN CIEC, IN CONNECTION WITH UPCOMING BHUTTO VISIT TO CANADA. GENERAL OUTLINE OF PAK POSITION IN THIS DOCUMENT IS AS DESCRIBED IN OUR EARLIER REPORTING. PRIORITY PAKS GIVE TO FINANCIAL TRANSFERS TO MSAS IS VERY MUCH IN EVIDENCE. COMPARED WITH SIMILAR AIDE-MEMOIRE GIVEN US LAST JUNE, HOWEVER, GOP ESTIMATE OF URGENT AID NEEDS OF MSAS HAS MORE THAN DOUBLED. STATEMENT ON DEBT RELIEF HAS BECOME MORE SPECIFIC (50 PERCENT MORATORIUM FOR ALL MSAS THROUGH 1980, AND REFERENCE TO THE NEED TO MAINTAIN OPEC AID LEVELS HAS BEEN DROPPED. WE INTERPRET THESE CHANGES AS EVIDENCE OF INCREASING

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ISLAMA 01698 180441Z

CONCERN BY THE GOP FOR MAINTAINING OPEC/LDC SOLIDARITY.

END SUMMARY.

1. CANADIAN EMBASSY HAS JUST PASSED US AN AIDE-MEMOIRE ON CIEC AND THE NORTH-SOUTH DIALOGUE WHICH THE MINISTRY OF FOREIGN AFFAIRS HAD GIVEN THEM IN CONNECTION WITH BHUTTO'S UPCOMING VISIT TO CANADA. WE ASSUME THAT THIS REFLECTS A GOP DESIRE TO DISCUSS CIEC WITH CANADIAN LEADERS. THE TEXT OF THE AIDE-MEMOIRE IS BEING POUCHED TO THE DEPARTMENT (NEA/PAB). LARGE PARTS OF THE AIDE-MEMOIRE THE MFA GAVE US LAST JUNE (REF A) ARE REPEATED IN THE DOCUMENT GIVEN TO THE CANADIANS. THERE ARE A FEW INTERESTING CHANGES, HOWEVER, WHICH SUGGEST TO US THAT PAKISTAN IS BECOMING MORE CONCERNED ABOUT MAINTAINING A COMMON FRONT WITH THE REST OF THE OPEC/LDC GROUP.

2. OMISSIONS: FOUR PROPOSALS WHICH HAD BEEN IN THE AIDE-MEMOIRE GIVEN US WERE NOT IN THE CANADIAN ONE. WE ASSUME THAT TWO OF THESE, THE IMF TRUST FUND AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, WERE DROPPED BECAUSE THEY ARE NOW WELL ON THEIR WAY TO IMPLEMENTATION AND THUS NO LONGER "NEW." WE ALSO NOTE, HOWEVER, THAT THE CANADIAN DOCUMENT MAKES NO REFERENCE TO MEASURES NEEDED TO ATTRACT FOREIGN PRIVATE INVESTMENT (PARA 7 REF A) OR TO A NEED FOR A COMMITMENT BY OPEC COUNTRIES TO MAINTAIN OR INCREASE THEIR AID LEVELS (PARA 5 REF A, POINT 6).

3. ADDITIONS: ON THE OTHER HAND, THERE ARE A NUMBER OF PROPOSALS IN THE CANADIAN DOCUMENT WHICH ARE NEW SINCE OUR AIDE-MEMOIRE. THREE OF THESE WE ATTRIBUTE SIMPLY TO MORE CAREFUL DRAFTING: THE EXPLICIT REFERENCES TO THE UN SPECIAL FUND, TO THE SDR - AID LINK, AND TO THE NEED FOR SOFTER AID TERMS. THE GOP HAD PREVIOUSLY COME OUT IN FAVOR OF ALL OF THESE AT ONE TIME OR ANOTHER. TWO MORE REPRESENT A TOUGHER STANCE ON ISSUES THE GOP HAD MENTIONED IN THE EARLIER DOCUMENT: THE PROPOSAL FOR A 50 PERCENT MORATORIUM ON ALL MSA DEBT THROUGH 1980, AND THE PROPOSAL FOR "ADDITIONAL" OFFICIAL DEVELOPMENT ASSISTANCE TO MSAS (THE GOP PREVIOUSLY CITED A FIGURE OF \$2.5 BILLION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ISLAMA 01698 180441Z

PER YEAR, NOW RAISED TO \$6 BILLION). A SIXTH NEW POINT, THE CALL FOR "MEASURES TO ESTABLISH AN EQUITABLE RELATIONSHIP BETWEEN PRICES OF EXPORTS AND IMPORTS OF DEVELOPING COUNTRIES," BRINGS THE GOP A BIT CLOSER TO FAVORING INDEXATION THAN IT HAS BEEN IN THE PAST. FINALLY, THE CANADIAN AIDE-MEMOIRE CONTAINS A PROPOSAL FOR "COMMODITY ASSISTANCE, INCLUDING FOOD AID, ON A GRANT BASIS OR DEFERRED PAYMENT IN LOCAL CURRENCIES" - WHICH

WE CAN ONLY DESCRIBE AS ASTONISHING IN LIGHT OF GOP
SENSITIVITIES ABOUT OUR RUPEE HOLDINGS.

4. BOTH AIDE-MEMOIRES, OURS AND THE CANADIANS', CONTAIN
VIRTUALLY IDENTICAL LANGUAGE ON THE URGENCY OF PRACTICAL
RESULTS, THE URGENCY OF QUICK FINANCIAL TRANSFERS TO
MSAS, AND THE DESIRABILITY OF COOPERATIVE SOLUTIONS.
IN SUM, THE BROAD OUTLINES OF PAKISTAN POSITION REMAIN
MUCH AS WE HAVE KNOWN THEM, ALTHOUGH THERE ARE INTERESTING
DIFFERENCES IN DETAILS.
BYROADE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, FOREIGN POLICY POSITION, EXPORTERS, IMPORTERS, COMMITTEES
Control Number: n/a
Copy: SINGLE
Draft Date: 17 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ISLAMA01698
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760060-0024
From: ISLAMABAD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760244/aaaabmhj.tel
Line Count: 126
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ISLAMABAD 5952, 76 ISLAMABAD 1285
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 13 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 APR 2004 by BoyleJA>; APPROVED <14 APR 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PAKISTAN POSITION IN CIEC
TAGS: ENRG, EFIN, PK, CIEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006